Warmest congratulations to the International Market Place, our neighbor (across the street from the Outrigger Waikiki Beach Resort), on its grand reopening this past Thursday after more than two and a half years of top-to-bottom redevelopment, revitalization and what its owners and developers call “reimagining.”

“Grand” is certainly the right word for the reopening, as the “reimagined” Market Place offers an impressive mix of upscale eateries and retailers – including anchor Saks Fifth Avenue – in place of what the Honolulu Star-Advertiser several days ago called its previous incarnation: “a run-down maze of cheap souvenirs, tacky tikis and fortunetellers.” Aloha and welcome back! It will be great to see shoppers, diners and gawkers across the street again!

A fair amount of hand-wringing accompanied the demise of the old International Market Place. Partly this could be attributed to nostalgia for a place thousands of local residents grew up with. They will be happy to discover that the new Market Place has left intact the magnificent banyan – well over a century old – that was a focal point for visitors in years gone by.

In fact, a friend, Lynn Cook, who toured the Market Place a day before the grand reopening, reports the tree is flourishing, “with space made for the roots. It’s already full of new growth.” Also intact – actually re-created with care – is the treehouse that Don the Beachcomber (real name: Donn Beach) built six decades ago. Lynn reports that Don Ho and other Market Place entertainers of yore are honored in the new treehouse.

More significantly, much of the hand-wringing was an expression of concern for the many shop and kiosk owners and employees who were to be displaced. Change is often accompanied by a sad human toll, and this was undoubtedly the case for many threatened by the redevelopment. The silver lining to this cloud is that the new Market Place promises to provide a major economic boost, including 2,500 new jobs, to Waikiki,
International Market Place ...

with inevitable ripple effects across O‘ahu and the neighbor islands.

The boost, moreover, is not limited to visitor spending, employment, state GDP and other measures, which are more than just lines on a graph. The benefit comes from something that too many people are unaware of or simply forget: that the International Market Place stands on land owned by the Queen Emma Land Company – the present incarnation of the Estate of Queen Emma (wife of King Alexander Liholiho ‘Iolani, Kamehameha IV), one of Hawai‘i’s major “ali‘i trusts.”

The Queen Emma Land Company’s substantial income from all those International Market Place retailers supports Hawai‘i’s largest hospital, The Queen’s Medical Center, in accordance with the queen’s wish “to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai‘i.”

It would be wonderful if people kept in mind not only all the good that Queen Emma’s 1885 bequest of land continues to bring the people of our state, but also the benefits to Native Hawaiians and others from the trusts established by other ali‘i (nobles) over a century ago. For example, the legacy of Bernice Pauahi Bishop funds the Kamehameha Schools, all of whose graduates are her beneficiaries.

A great deal of the income that these ali‘i trusts earn comes from their landholdings in Waikiki. The lease payments from most of the hotels, restaurants and retailers there, including Outrigger Hotels and Resorts, play a significant role in funding the good works that the ali‘i trusts continue doing today, generations after their establishment. I think it’s remarkable that something the ali‘i did a century and more ago is today benefiting the people of these Islands, perhaps even more profoundly than they could have imagined.

Actually, Outrigger and the Kelley family have a long history with the Queen Emma Estate/Queen Emma Land Company. Back in the early 1950s, Roy Kelley almost had an option on the land where the International Market Place was eventually built (1957). He was thinking of creating an “exotic” assortment of shops and entertainment spots that would connect Kalākaua and Kūhiō avenues – something like what the Market Place actually became! Only he planned to name it for Shanghai’s famous Bubbling Well Road. However, after suffering major injuries in an auto accident, he turned instead to building more hotels and let drop the thought of developing the land where the International Market Place now stands.

Nearly a decade later, Roy made a different deal with the Queen Emma Estate. The prime beachfront land that was under lease at the time to the Outrigger Canoe Club.
for just $10 a year was expiring in 1963. The club was already preparing the move to its present site at the foot of Diamond Head. Roy got a surprise call from the landowner’s representative, who said Roy could have a lease on the site to build a luxury hotel. Roy made a snap decision and said “Yes!”

Soon after that, the Queen Emma Estate representatives said they wanted to make this a package deal for several properties. Would Roy also take leases on four other nearby parcels where hotels could be built? “Yes, Yes, Yes and Yes,” he confidently responded. Then he put down the phone and went looking for financing and partners to get it all done.

That moment, of course, was not the beginning of our company, which dates back to 1947 when the Islander Hotel on Seaside Avenue opened. However, the deals with Queen Emma Estate gave birth to the name by which we are known today, after the canoe club that had previously leased the land on which the Outrigger Waikiki Beach Resort now stands.

Lease agreements with the ali‘i trusts, like those of the International Market Place, Outrigger and so many of Waikīkī’s other hotels and businesses, provide not only livelihoods for residents but millions and millions of dollars in tax revenue for local and state governments, and income for the trusts that support hospitals, schools and so many other vital institutions.

That’s why I always say, In Hawai‘i, Tourism Is Everybody’s Business.